VRS in Banks

633. SHRI P. PRABHAKAR REDDY: WiU the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Bank VRS targets might have to be revised" appearing in the Business Standard dated 24th January, 2001;

(b) if so, what is Government's reaction thereto; and

(c) whether any guidelines is proposed to be issued to the Banks to make careful use of the response received to VRS and Plan for the future to usher in second generation reforms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) and (c) Banks have been advised that Manpower Planning is a pre-requirement for introduction of Voluntary Retirement Scheme (VRS) because without such a Plan it will not be possible to assess the exact requirement of manpower at each grade and in different categories and to decide the number of employees that can be granted VRS. It is expected that banks will take decision regarding VRS according to their requirements.

Uniform Policies in VRS in GIC

634. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that Government have decided to go slow on introducing voluntary retirement scheme (VRS) in General Insurance corporation and its subsidiaries;

(b).if so, the reasons therefor;

(c) how far this policy is in conformity with the Government's overall policy of introducing reforms in the financial and insurance sectors;

(d) whether similar policies are to be pursued in respect of VRS Schemes in the Life Insurance Corporation and nationalised banks also; and